

1 **ACCOUNTABLE CARE ORGANIZATION FUNDING**
2 **AMENDMENTS**

3 2022 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Jacob L. Anderegg**

6 House Sponsor: _____

7
8 **LONG TITLE**

9 **General Description:**

10 This bill amends provisions related to the Medicaid program.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ specifies how a Medicaid accountable care organization must use an increase in
14 funding from the Medicaid program;
15 ▶ sets a minimum reimbursement rate for certain services provided by a Medicaid
16 accountable care organization;
17 ▶ requires a Medicaid accountable organization to annually report changes in the
18 amounts the Medicaid accountable care organization pays to providers of services
19 and benefits for Medicaid enrollees; and
20 ▶ requires the department to forward the report to the Social Services Appropriations
21 Subcommittee.

22 **Money Appropriated in this Bill:**

23 None

24 **Other Special Clauses:**

25 None

26 **Utah Code Sections Affected:**

27 AMENDS:



28 **26-18-7**, as last amended by Laws of Utah 1988, Chapter 21

29

30 *Be it enacted by the Legislature of the state of Utah:*

31 Section 1. Section **26-18-7** is amended to read:

32 **26-18-7. Medical vendor rates.**

33 (1) (a) Medical vendor payments made to providers of services for and in behalf of
34 recipient households shall be based upon predetermined rates from standards developed by the
35 division in cooperation with providers of services for each type of service purchased by the
36 division.

37 (b) As far as possible, the rates paid for services shall be established in advance of the
38 fiscal year for which funds are to be requested.

39 (2) (a) Beginning fiscal year 2023, an accountable care organization with which the
40 Medicaid program contracts shall increase the total amount the accountable care organization
41 pays during a fiscal year to providers of services and benefits for enrollees in accordance with
42 Subsection (2)(b).

43 (b) The increase under Subsection (2)(a) shall be at a rate greater than or equal to the
44 percentage change from the previous fiscal year in per-member-per-month funding received by
45 the accountable care organization from the Medicaid program.

46 (c) Subsection (2)(a) does not apply if the percentage change described in Subsection
47 (2)(b) is less than zero.

48 (3) Beginning fiscal year 2023, an accountable care organization may not reimburse a
49 provider of services and benefits for enrollees at a rate that is lower than the department's
50 reimbursement rate for the same code or service.

51 (4) (a) An accountable care organization with which the Medicaid program contracts
52 shall report to the department each year changes in the amounts the accountable care
53 organization pays to providers of services and benefits for enrollees.

54 (b) The report under Subsection (4)(a) shall include sufficient detail for the department
55 to certify compliance by the accountable care organization with Subsection (2)(a).

56 (5) On or before November 1 each year, the department shall forward to the Social
57 Services Appropriations Subcommittee the report required under Subsection (2)(b) for the
58 previous fiscal year.